

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATUTORY FINANCIAL STATEMENTS

JULY 31, 2015

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATUTORY FINANCIAL STATEMENTS

JULY 31, 2015

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ACCOUNTANT'S COMPILATION REPORT

Alabama Insurance Underwriting Association
315 E. Laurel Ave., Ste. 216D
Foley, AL 36535

We have compiled the accompanying statutory statement of admitted assets, liabilities and surplus of Alabama Insurance Underwriting Association as of July 31, 2015, the related accompanying statutory statement of operations and changes in surplus for the nine months then ended, and the accompanying supplementary information referred to in the foregoing contents, which is presented only for supplementary analysis purposes. The financial statements and supplementary information have been prepared in conformity with statutory accounting practices prescribed or permitted by the National Association of Insurance Commissioners (NAIC) and the Insurance Department of the State of Alabama, which is a comprehensive basis of accounting other than generally accepted accounting principles. We have not audited or reviewed the accompanying financial statements and supplementary information and, accordingly, do not express an opinion or provide any assurance about whether the financial statements and supplementary information are in accordance with statutory accounting practices prescribed or permitted by the National Association of Insurance Commissioners (NAIC) and the Insurance Department of the State of Alabama.

Management is responsible for the preparation and fair presentation of the financial statements and supplementary information in accordance with statutory accounting practices prescribed or permitted by the National Association of Insurance Commissioners (NAIC) and the Insurance Department of the State of Alabama, and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements and supplementary information.

Our responsibility is to conduct the compilation in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements and supplementary information without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements and supplementary information.

Management has elected to omit substantially all of the disclosures and the statement of cash flows ordinarily included in financial statements prepared in accordance with the statutory accounting practices. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the admitted assets, liabilities, surplus, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The accompanying financial statements do not include a provision or liability for federal income taxes because the members are taxed individually on their share of Association earnings.

We are not independent with respect to Alabama Insurance Underwriting Association because we performed certain accounting services that impaired our independence.



Foley, Alabama
November 3, 2015

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATUTORY STATEMENT OF ADMITTED ASSETS, LIABILITIES AND SURPLUS
As of July 31, 2015

EXHIBIT 1

	Assets	Assets Not Admitted	Admitted Assets
<u>ASSETS</u>			
Cash and short-term investments	\$ 65,427,895		\$ 65,427,895
Bonds	42,200,325		42,200,325
Accounts receivable	1,233	1,233	-
Interest accrued	85,156		85,156
Furniture and equipment - net of depreciation	93,329	93,329	-
Data processing equipment - net of depreciation	111,357		111,357
Programming - net of amortization	274,340	274,340	-
Leasehold improvements - net of depreciation	46,069	46,069	-
Reinsurance:			
Prepaid reinsurance	1,841,562		1,841,562
Amounts recoverable from reinsurers	16,527		16,527
Section 444 Deposit (I.R.S.)	818,675		818,675
Total Assets	110,916,468	414,971	110,501,497
 <u>LIABILITIES AND SURPLUS</u>			
Reserves - net of ceded			
Unpaid losses (include IBNR)			1,200,624
Unpaid loss adjustment expenses			120,063
Unearned premiums			21,126,434
Total Reserves			22,447,121
Payables for:			
Premium taxes			582,891
Operating expenses and other accounts payable			630,998
Ceded reinsurance premiums payable - net of ceding commissions			380,957
Amounts withheld for accounts of others			93,543
Accrued Pension Obligation			348,311
Premiums received in advance			2,298,168
Total Payables			4,334,868
Total Liabilities			26,781,989
Members' Surplus			77,955,321
Retained Surplus			5,764,187
Total Surplus			83,719,508
Total Liabilities and Surplus			\$ 110,501,497

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATUTORY STATEMENT OF OPERATIONS AND CHANGES IN SURPLUS
Quarter Ended July 31, 2015

EXHIBIT 2

	Quarter 05/01/2015 - 07/31/2015	Year-To-Date 11/1/2014 - 07/31/2015
	<u> </u>	<u> </u>
UNDERWRITING INCOME:		
Premiums Earned	\$ 5,339,332	\$ 15,827,641
	<u> </u>	<u> </u>
DEDUCTIONS:		
Losses incurred	1,113,997	2,831,430
Loss expenses incurred	180,280	348,750
Operating expenses incurred	2,298,718	6,104,576
Total deductions	<u>3,592,995</u>	<u>9,284,756</u>
Net Underwriting Gain or (Loss)	<u>1,746,337</u>	<u>6,542,885</u>
OTHER INCOME (EXPENSE):		
Net investment income	80,937	241,868
Realized Gains (Losses)	-	-
Other Income	(3)	10
Service & Agency Fees	273,875	663,475
Total other income (expense)	<u>354,809</u>	<u>905,353</u>
Net Income or (Loss)	<u>\$ 2,101,146</u>	<u>\$ 7,448,238</u>
SURPLUS:		
Surplus (prior period)	81,643,442	76,330,720
Net income or (loss)	2,101,146	7,448,238
Change in assets not admitted	<u>(25,080)</u>	<u>(59,450)</u>
Net change in surplus	<u>2,076,066</u>	<u>7,388,788</u>
Surplus (current period)	<u>\$ 83,719,508</u>	<u>\$ 83,719,508</u>

See Accountant's Compilation Report

SUPPLEMENTARY INFORMATION

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

SURPLUS

Quarter Ended July 31, 2015

EXHIBIT 3A - Quarterly

Quarterly 05/01/2015 - 07/31/2015

Description	Policy Year									Total
	2015	2014	2013	2012	2011	2010	2008	2007	2006	
INCOME RECEIVED:										
Premiums Written	\$ 13,328,836	\$ (113,808)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,215,028
Reinsurance Premium Ceded	(6,831,681)	(198,560)	-	-	-	-	-	-	-	(7,030,241)
Net Premiums Written	6,497,155	(312,368)	-	-	-	-	-	-	-	6,184,787
Interest Received	168,367	-	-	-	-	-	-	-	-	168,367
Realized Gains (Losses)	-	-	-	-	-	-	-	-	-	-
Other Income	(3)	-	-	-	-	-	-	-	-	(3)
Service & Agency Fees	273,875	-	-	-	-	-	-	-	-	273,875
Total Income	6,939,394	(312,368)	-	-	-	-	-	-	-	6,627,026
EXPENSES PAID:										
Losses	574,957	397,173	80,640	-	-	-	-	-	-	1,052,770
Loss Adjustment Expenses	70,880	89,841	13,436	-	-	-	-	-	-	174,157
Commissions	813,557	(9,105)	-	-	-	-	-	-	-	804,452
Operating Expenses	726,943	-	-	-	-	-	-	-	-	726,943
Premium Taxes	279,479	-	-	-	-	-	-	-	-	279,479
Total Expenses Paid	2,465,816	477,909	94,076	-	-	-	-	-	-	3,037,801
Net Cash Change	4,473,578	(790,277)	(94,076)	-	-	-	-	-	-	3,589,225
RESERVES:										
<i>DEDUCT (CURRENT PERIOD)</i>										
Unpaid Losses (include IBNR)	874,594	326,030	-	-	-	-	-	-	-	1,200,624
Unpaid Loss Adj. Expenses	87,460	32,603	-	-	-	-	-	-	-	120,063
Operating Expenses	724,541	-	-	-	-	-	-	-	-	724,541
Unearned Premiums	19,846,846	1,279,588	-	-	-	-	-	-	-	21,126,434
Premium Taxes	582,891	-	-	-	-	-	-	-	-	582,891
<i>ADD (PRIOR PERIOD)</i>										
Unpaid Losses (include IBNR)	464,961	642,664	31,772	-	-	-	-	-	-	1,139,397
Unpaid Loss Adj. Expenses	46,496	64,267	3,177	-	-	-	-	-	-	113,940
Operating Expenses	423,720	-	-	-	-	-	-	-	-	423,720
Unearned Premiums	14,280,338	6,000,641	-	-	-	-	-	-	-	20,280,979
Premium Taxes	395,868	-	-	-	-	-	-	-	-	395,868
Net Reserve Change	(6,504,949)	5,069,351	34,949	-	-	-	-	-	-	(1,400,649)
OTHER CHANGES:										
<i>DEDUCT (PRIOR PERIOD)</i>										
Interest Accrued	172,586	-	-	-	-	-	-	-	-	172,586
Assets Not Admitted	(389,891)	-	-	-	-	-	-	-	-	(389,891)
<i>ADD (CURRENT PERIOD)</i>										
Minimum Pension Liability	-	-	-	-	-	-	-	-	-	-
Interest Accrued	85,156	-	-	-	-	-	-	-	-	85,156
Assets Not Admitted	(414,971)	-	-	-	-	-	-	-	-	(414,971)
Net Other Changes	(112,510)	-	-	-	-	-	-	-	-	(112,510)
Assessments or (Distributions)	-	-	-	-	-	-	-	-	-	-
Change in Retained Surplus Increase (Decrease)	71,946	-	-	-	-	-	-	-	-	71,946
Change in Members' Surplus Increase (Decrease)	\$ (2,215,827)	\$ 4,279,074	\$ (59,127)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,004,120

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

SURPLUS

Quarter Ended July 31, 2015

EXHIBIT 3A - Year-to-Date

Year-to-Date 11/01/2014 - 07/31/2015

Description	Policy Year									Total	
	2015	2014	2013	2012	2011	2010	2008	2007	2006		
INCOME RECEIVED:											
Premiums Written	\$ 31,709,972	\$ (598,971)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,111,001
Reinsurance Premium Ceded	(17,781,681)	(198,560)	-	-	-	-	-	-	-	-	(17,980,241)
Net Premiums Written	13,928,291	(797,531)	-	-	-	-	-	-	-	-	13,130,760
Interest Received	156,711	183,785	-	-	-	-	-	-	-	-	340,496
Realized Gains (Losses)	-	-	-	-	-	-	-	-	-	-	-
Other Income	10	-	-	-	-	-	-	-	-	-	10
Service & Agency Fees	663,475	-	-	-	-	-	-	-	-	-	663,475
Total Income	14,748,487	(613,746)	-	-	-	-	-	-	-	-	14,134,741
EXPENSES PAID:											
Losses	866,756	2,087,190	348,790	(8,349)	-	-	-	-	-	-	3,294,387
Loss Adjustment Expenses	93,253	240,522	60,722	-	548	-	-	-	-	-	395,045
Commissions	2,017,186	229,276	-	-	-	-	-	-	-	-	2,246,462
Operating Expenses	2,322,050	251,172	-	-	-	-	-	-	-	-	2,573,222
Premium Taxes	505,825	242,201	-	-	-	-	-	-	-	-	748,026
Total Expenses Paid	5,805,070	3,050,361	409,512	(8,349)	548	-	-	-	-	-	9,257,142
Net Cash Change	8,943,417	(3,664,107)	(409,512)	8,349	(548)	-	-	-	-	-	4,877,599
RESERVES:											
<i>DEDUCT (CURRENT PERIOD)</i>											
Unpaid Losses (include IBNR)	874,594	326,030	-	-	-	-	-	-	-	-	1,200,624
Unpaid Loss Adj. Expenses	87,460	32,603	-	-	-	-	-	-	-	-	120,063
Operating Expenses	724,541	-	-	-	-	-	-	-	-	-	724,541
Unearned Premiums	19,846,846	1,279,588	-	-	-	-	-	-	-	-	21,126,434
Premium Taxes	582,891	-	-	-	-	-	-	-	-	-	582,891
<i>ADD (PRIOR PERIOD)</i>											
Unpaid Losses (include IBNR)	-	1,621,344	42,237	-	-	-	-	-	-	-	1,663,581
Unpaid Loss Adj. Expenses	-	162,134	4,224	-	-	-	-	-	-	-	166,358
Operating Expenses	-	528,366	-	-	-	-	-	-	-	-	528,366
Unearned Premiums	-	23,823,315	-	-	-	-	-	-	-	-	23,823,315
Premium Taxes	-	242,201	-	-	-	-	-	-	-	-	242,201
Net Reserve Change	(22,116,332)	24,739,139	46,461	-	-	-	-	-	-	-	2,669,268
OTHER CHANGES:											
<i>DEDUCT (PRIOR PERIOD)</i>											
Interest Accrued	-	183,785	-	-	-	-	-	-	-	-	183,785
Assets Not Admitted	-	(355,521)	-	-	-	-	-	-	-	-	(355,521)
Unrealized Capital Gains (Losses)	-	-	-	-	-	-	-	-	-	-	-
<i>ADD (CURRENT PERIOD)</i>											
Minimum Pension Liability	-	-	-	-	-	-	-	-	-	-	-
Interest Accrued	85,156	-	-	-	-	-	-	-	-	-	85,156
Assets Not Admitted	(414,971)	-	-	-	-	-	-	-	-	-	(414,971)
Unrealized Capital Gains (Losses)	-	-	-	-	-	-	-	-	-	-	-
Net Other Changes	(329,815)	171,736	-	-	-	-	-	-	-	-	(158,079)
Assessments or (Distributions)	-	-	-	-	-	-	-	-	-	-	-
Change in Retained Surplus Increase (Decrease)	216,306	-	-	-	-	-	-	-	-	-	216,306
Change in Members' Surplus Increase (Decrease)	\$ (13,719,036)	\$ 21,246,768	\$ (363,051)	\$ 8,349	\$ (548)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,172,482

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

MEMBERS' SURPLUS FOR UNSETTLED YEARS

Inception to Quarter Ended July 31, 2015

Exhibit 3B

Description	Policy Year									
	2015	2014	2013	2012	2011	2010	2008	2007	2006	Total
INCOME RECEIVED:										
Premiums Written	\$ 31,709,972	\$ 44,021,521	\$ 45,411,235	\$ 45,970,663	\$ 45,112,079	\$ 37,491,975	\$ 24,452,221	\$ 23,456,599	\$ 17,328,303	\$ 314,954,568
Reinsurance Premiums Ceded	(17,781,681)	(21,529,810)	(20,720,834)	(19,201,996)	(17,994,845)	(17,700,790)	(14,994,792)	(10,799,284)	(4,500,230)	(145,224,262)
Net Premiums Written	13,928,291	22,491,711	24,690,401	26,768,667	27,117,234	19,791,185	9,457,429	12,657,315	12,828,073	169,730,306
Interest Received	156,711	348,507	326,657	95,204	40,332	21,405	486,548	677,305	307,607	2,460,276
Realized Gains (Losses)	-	-	-	(34,522)	-	-	-	-	-	(34,522)
Other Income	10	43	-	8	1,070	153	3,391	3,670	40	8,385
Service & Agency Fees	663,475	906,565	778,125	674,460	608,415	497,585	269,337	187,836	175,703	4,761,501
Gain (loss) on sale of non admitted asset	-	-	-	-	-	-	100	623	(203)	520
Total Income	14,748,487	23,746,826	25,795,183	27,503,817	27,767,051	20,310,328	10,216,805	13,526,749	13,311,220	176,926,466
EXPENSES PAID:										
Losses	866,756	3,237,465	3,318,012	3,264,442	1,326,634	988,594	874,566	512,315	930,913	15,319,697
Loss Adjustment Expenses	93,253	488,279	563,607	400,549	230,657	118,628	22,717	14,945	17,029	1,949,664
Commissions	2,017,186	3,514,146	3,626,442	3,677,749	3,629,595	2,994,514	1,961,534	2,235,084	1,744,247	25,400,497
Operating Expenses	2,322,050	3,340,955	3,009,063	2,734,196	2,524,526	2,327,766	1,699,718	1,497,748	1,014,262	20,470,284
Premium Taxes	505,825	1,556,033	1,597,766	1,624,906	1,587,348	1,350,035	855,726	848,275	624,158	10,550,072
Total Expenses Paid	5,805,070	12,136,878	12,114,890	11,701,842	9,298,760	7,779,537	5,414,261	5,108,367	4,330,609	73,690,214
Net Cash Change	8,943,417	11,609,948	13,680,293	15,801,975	18,468,291	12,530,791	4,802,544	8,418,382	8,980,611	103,236,252
RESERVES:										
DEDUCT (CURRENT PERIOD)										
Unpaid Losses (include IBNR)	874,594	326,030	-	-	-	-	-	-	-	1,200,624
Unpaid Loss Adjustment Expenses	87,460	32,603	-	-	-	-	-	-	-	120,063
Operating Expenses	724,541	-	-	-	-	-	-	-	-	724,541
Unearned Premiums	19,846,846	1,279,588	-	-	-	-	-	-	-	21,126,434
Premium Taxes	582,891	-	-	-	-	-	-	-	-	582,891
Total Reserves	22,116,332	1,638,221	-	-	-	-	-	-	-	23,754,553
OTHER CHANGES:										
ADD (DEDUCT)										
Minimum Pension Liability	-	(299,507)	115,466	(127,279)	(36,991)	27,748	(53,339)	46,800	(21,831)	(348,933)
Interest Accrued	85,156	-	-	-	-	-	-	-	-	85,156
Assets Not Admitted	(414,971)	-	-	-	-	-	-	-	-	(414,971)
Retained Surplus	(216,306)	(319,649)	(284,009)	(17,189)	(10,477)	-	-	-	-	(847,630)
Total Other Changes	(546,121)	(619,156)	(168,543)	(144,468)	(47,468)	27,748	(53,339)	46,800	(21,831)	(1,526,378)
Assessments or (Distributions)	-	-	-	-	-	-	-	-	-	-
Members' Surplus (Deficit)	\$ (13,719,036)	\$ 9,352,571	\$ 13,511,750	\$ 15,657,507	\$ 18,420,823	\$ 12,558,539	\$ 4,749,205	\$ 8,465,182	\$ 8,958,780	\$ 77,955,321

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

**RETAINED SURPLUS
Quarter Ended July 31, 2015**

EXHIBIT 3C - Year-to-Date

Description	Policy Year						Total
	2015	2014	2013	2012	2011	2009	
Retained Surplus Prior Period	\$ -	\$ 319,649	\$ 284,009	\$ 17,189	\$ 10,477	\$ 4,916,557	\$ 5,547,881
Change Increase (Decrease)	216,306	-	-	-	-	-	216,306
Retained Surplus Current Period	<u>\$ 216,306</u>	<u>\$ 319,649</u>	<u>\$ 284,009</u>	<u>\$ 17,189</u>	<u>\$ 10,477</u>	<u>\$ 4,916,557</u>	<u>\$ 5,764,187</u>

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT OF PREMIUMS

Quarter Ended July 31, 2015

EXHIBIT 4A - Quarterly

Description	Quarterly 05/01/2015 - 07/31/2015									
	2015	2014	2013	2012	2011	Policy Year 2010	2008	2007	2006	Total
PREMIUMS WRITTEN:										
Fire	\$ 737,477	\$ (5,143)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 732,334
E.C. & VMM	12,591,359	(108,665)	-	-	-	-	-	-	-	12,482,694
Reinsurance Premium Ceded	(6,831,681)	(198,560)	-	-	-	-	-	-	-	(7,030,241)
Total	6,497,155	(312,368)	-	-	-	-	-	-	-	6,184,787
UNEARNED PREMIUMS: (PRIOR PERIOD)										
Fire	872,244	320,281	-	-	-	-	-	-	-	1,192,525
E.C. & VMM	13,408,094	5,680,360	-	-	-	-	-	-	-	19,088,454
Reinsurance Unearned Ceded	-	-	-	-	-	-	-	-	-	-
Total	14,280,338	6,000,641	-	-	-	-	-	-	-	20,280,979
UNEARNED PREMIUMS: (CURRENT PERIOD)										
Fire	1,207,585	82,908	-	-	-	-	-	-	-	1,290,493
E.C. & VMM	19,683,832	1,264,027	-	-	-	-	-	-	-	20,947,859
Reinsurance Unearned Ceded	(1,044,571)	(67,347)	-	-	-	-	-	-	-	(1,111,918)
Total	19,846,846	1,279,588	-	-	-	-	-	-	-	21,126,434
EARNED PREMIUMS:										
Fire	402,136	232,230	-	-	-	-	-	-	-	634,366
E.C. & VMM	6,315,621	4,307,668	-	-	-	-	-	-	-	10,623,289
Reinsurance Earned Ceded	(5,787,110)	(131,213)	-	-	-	-	-	-	-	(5,918,323)
Total	\$ 930,647	\$ 4,408,685	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,339,332

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT OF PREMIUMS

Quarter Ended July 31, 2015

EXHIBIT 4A - Year-to-Date

Year-to-Date 11/01/2014 - 07/31/2015

Description	Policy Year										
	2015	2014	2013	2012	2011	2010	2008	2007	2006	Total	
PREMIUMS WRITTEN:											
Fire	\$ 1,871,055	\$ (32,151)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,838,904
E.C. & VMM	29,838,917	(566,820)	-	-	-	-	-	-	-	-	29,272,097
Reinsurance Premium Ceded	(17,781,681)	(198,560)	-	-	-	-	-	-	-	-	(17,980,241)
Total	13,928,291	(797,531)	-	-	-	-	-	-	-	-	13,130,760
UNEARNED PREMIUMS: (PRIOR PERIOD)											
Fire	-	1,126,741	-	-	-	-	-	-	-	-	1,126,741
E.C. & VMM	-	22,696,574	-	-	-	-	-	-	-	-	22,696,574
Reinsurance Unearned Ceded	-	-	-	-	-	-	-	-	-	-	-
Total	-	23,823,315	-	-	-	-	-	-	-	-	23,823,315
UNEARNED PREMIUMS: (CURRENT PERIOD)											
Fire	1,207,585	82,908	-	-	-	-	-	-	-	-	1,290,493
E.C. & VMM	19,683,832	1,264,027	-	-	-	-	-	-	-	-	20,947,859
Reinsurance Unearned Ceded	(1,044,571)	(67,347)	-	-	-	-	-	-	-	-	(1,111,918)
Total	19,846,846	1,279,588	-	-	-	-	-	-	-	-	21,126,434
EARNED PREMIUMS:											
Fire	663,470	1,011,682	-	-	-	-	-	-	-	-	1,675,152
E.C. & VMM	10,155,085	20,865,727	-	-	-	-	-	-	-	-	31,020,812
Reinsurance Earned Ceded	(16,737,110)	(131,213)	-	-	-	-	-	-	-	-	(16,868,323)
Total	\$ (5,918,555)	\$ 21,746,196	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,827,641

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT OF LOSSES

Quarter Ended July 31, 2015

EXHIBIT 4B - Quarterly

Quarterly 05/01/2015 - 07/31/2015

Description	Policy Year										
	2015	2014	2013	2012	2011	2010	2008	2007	2006	Total	
PAID LOSSES:											
Fire	\$ 386,474	\$ 47,678	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 434,152
E.C. & VMM	198,507	353,835	80,640	-	-	-	-	-	-	-	632,982
Reinsurance Losses Ceded	(10,024)	(4,340)	-	-	-	-	-	-	-	-	(14,364)
Total	574,957	397,173	80,640	-	-	-	-	-	-	-	1,052,770
OUTSTANDING LOSSES (CURRENT PERIOD)*											
Fire	276,598	65,940	-	-	-	-	-	-	-	-	342,538
E.C. & VMM	620,347	263,450	-	-	-	-	-	-	-	-	883,797
Reinsurance Losses Ceded	(22,351)	(3,360)	-	-	-	-	-	-	-	-	(25,711)
Total	874,594	326,030	-	-	-	-	-	-	-	-	1,200,624
OUTSTANDING LOSSES (PRIOR PERIOD)*											
Fire	74,655	44,076	-	-	-	-	-	-	-	-	118,731
E.C. & VMM	390,306	598,588	31,772	-	-	-	-	-	-	-	1,020,666
Reinsurance Losses Ceded	-	-	-	-	-	-	-	-	-	-	-
Total	464,961	642,664	31,772	-	-	-	-	-	-	-	1,139,397
INCURRED LOSSES:											
Fire	588,417	69,542	-	-	-	-	-	-	-	-	657,959
E.C. & VMM	428,548	18,697	48,868	-	-	-	-	-	-	-	496,113
Reinsurance Losses Ceded	(32,375)	(7,700)	-	-	-	-	-	-	-	-	(40,075)
Total	984,590	80,539	48,868	-	-	-	-	-	-	-	1,113,997
IBNR (CURRENT PERIOD)											
Fire	37,200	13,836	-	-	-	-	-	-	-	-	51,036
E.C. & VMM	593,247	219,246	-	-	-	-	-	-	-	-	812,493
Reinsurance Losses Ceded	(9,026)	-	-	-	-	-	-	-	-	-	(9,026)
Total	621,421	233,082	-	-	-	-	-	-	-	-	854,503
IBNR (PRIOR PERIOD)											
Fire	22,933	24,076	-	-	-	-	-	-	-	-	47,009
E.C. & VMM	349,527	485,807	-	-	-	-	-	-	-	-	835,334
Reinsurance Losses Ceded	-	-	-	-	-	-	-	-	-	-	-
Total	\$ 372,460	\$ 509,883	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 882,343

*Includes IBNR

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT OF LOSSES

Quarter Ended July 31, 2015

EXHIBIT 4B - Year-to-Date

Year-to-Date 11/01/2014 - 07/31/2015

Description	Policy Year									
	2015	2014	2013	2012	2011	2010	2008	2007	2006	Total
PAID LOSSES:										
Fire	\$ 619,728	\$ 1,388,123	\$ 4,755	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,012,606
E.C. & VMM	257,052	703,407	344,035	(8,349)	-	-	-	-	-	1,296,145
Reinsurance Losses Ceded	(10,024)	(4,340)	-	-	-	-	-	-	-	(14,364)
Total	866,756	2,087,190	348,790	(8,349)	-	-	-	-	-	3,294,387
OUTSTANDING LOSSES (CURRENT PERIOD)*										
Fire	276,598	65,940	-	-	-	-	-	-	-	342,538
E.C. & VMM	620,347	263,450	-	-	-	-	-	-	-	883,797
Reinsurance Losses Ceded	(22,351)	(3,360)	-	-	-	-	-	-	-	(25,711)
Total	874,594	326,030	-	-	-	-	-	-	-	1,200,624
OUTSTANDING LOSSES (PRIOR PERIOD)*										
Fire	-	323,450	1,025	-	-	-	-	-	-	324,475
E.C. & VMM	-	1,297,894	41,212	-	-	-	-	-	-	1,339,106
Reinsurance Losses Ceded	-	-	-	-	-	-	-	-	-	-
Total	-	1,621,344	42,237	-	-	-	-	-	-	1,663,581
INCURRED LOSSES:										
Fire	896,326	1,130,613	3,730	-	-	-	-	-	-	2,030,669
E.C. & VMM	877,399	(331,037)	302,823	(8,349)	-	-	-	-	-	840,836
Reinsurance Losses Ceded	(32,375)	(7,700)	-	-	-	-	-	-	-	(40,075)
Total	1,741,350	791,876	306,553	(8,349)	-	-	-	-	-	2,831,430
IBNR (CURRENT PERIOD)										
Fire	37,200	13,836	-	-	-	-	-	-	-	51,036
E.C. & VMM	593,247	219,246	-	-	-	-	-	-	-	812,493
Reinsurance Losses Ceded	(9,026)	-	-	-	-	-	-	-	-	(9,026)
Total	621,421	233,082	-	-	-	-	-	-	-	854,503
IBNR (PRIOR PERIOD)										
Fire	-	59,263	-	-	-	-	-	-	-	59,263
E.C. & VMM	-	1,276,946	-	-	-	-	-	-	-	1,276,946
Reinsurance Losses Ceded	-	-	-	-	-	-	-	-	-	-
Total	\$ -	\$ 1,336,209	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,336,209

*Includes IBNR

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION

STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES

Quarter Ended July 31, 2015

EXHIBIT 4C - Quarterly

Description	Quarterly 05/01/2015 - 07/31/2015									
	2015	2014	2013	2012	2011	Policy Year				Total
	2010	2008	2007	2006						
LOSS EXPENSES PAID:										
Fire	\$ 16,654	\$ 10,917	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,571
E.C. & VMM	55,582	79,731	13,436	-	-	-	-	-	-	148,749
Reinsurance Loss Expenses Ceded	(1,356)	(807)	-	-	-	-	-	-	-	(2,163)
Total	70,880	89,841	13,436	-	-	-	-	-	-	174,157
UNPAID LOSS EXPENSES (CURRENT PERIOD)*										
Fire	27,660	6,595	-	-	-	-	-	-	-	34,255
E.C. & VMM	62,035	26,345	-	-	-	-	-	-	-	88,380
Reinsurance Loss Expenses Ceded	(2,235)	(337)	-	-	-	-	-	-	-	(2,572)
Total	87,460	32,603	-	-	-	-	-	-	-	120,063
UNPAID LOSS EXPENSES (PRIOR PERIOD)*										
Fire	7,465	4,408	-	-	-	-	-	-	-	11,873
E.C. & VMM	39,031	59,859	3,177	-	-	-	-	-	-	102,067
Reinsurance Loss Expenses Ceded	-	-	-	-	-	-	-	-	-	-
Total	46,496	64,267	3,177	-	-	-	-	-	-	113,940
INCURRED LOSS EXPENSES:										
Fire	36,849	13,104	-	-	-	-	-	-	-	49,953
E.C. & VMM	78,586	46,217	10,259	-	-	-	-	-	-	135,062
Reinsurance Loss Expenses Ceded	(3,591)	(1,144)	-	-	-	-	-	-	-	(4,735)
Total	\$ 111,844	\$ 58,177	\$ 10,259	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 180,280

*Includes IBNR

See Accountant's Compilation Report

ALABAMA INSURANCE UNDERWRITING ASSOCIATION
STATISTICAL REPORT OF LOSS ADJUSTMENT EXPENSES
Quarter Ended July 31, 2015

EXHIBIT 4C - Year-to-Date

Description	Year-to-Date 11/01/2014 - 07/31/2015									
	2015	2014	2013	2012	2011	Policy Year				Total
						2010	2008	2007	2006	
LOSS EXPENSES PAID:										
Fire	\$ 23,992	\$ 59,632	\$ 1,478	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 85,102
E.C. & VMM	70,617	181,697	59,244	-	548	-	-	-	-	312,106
Reinsurance Loss Expenses Ceded	(1,356)	(807)	-	-	-	-	-	-	-	(2,163)
Total	93,253	240,522	60,722	-	548	-	-	-	-	395,045
UNPAID LOSS EXPENSES (CURRENT PERIOD)*										
Fire	27,660	6,595	-	-	-	-	-	-	-	34,255
E.C. & VMM	62,035	26,345	-	-	-	-	-	-	-	88,380
Reinsurance Loss Expenses Ceded	(2,235)	(337)	-	-	-	-	-	-	-	(2,572)
Total	87,460	32,603	-	-	-	-	-	-	-	120,063
UNPAID LOSS EXPENSES (PRIOR PERIOD)*										
Fire	-	32,345	103	-	-	-	-	-	-	32,448
E.C. & VMM	-	129,789	4,121	-	-	-	-	-	-	133,910
Reinsurance Loss Expenses Ceded	-	-	-	-	-	-	-	-	-	-
Total	-	162,134	4,224	-	-	-	-	-	-	166,358
INCURRED LOSS EXPENSES:										
Fire	51,652	33,882	1,375	-	-	-	-	-	-	86,909
E.C. & VMM	132,652	78,253	55,123	-	548	-	-	-	-	266,576
Reinsurance Loss Expenses Ceded	(3,591)	(1,144)	-	-	-	-	-	-	-	(4,735)
Total	\$ 180,713	\$ 110,991	\$ 56,498	\$ -	\$ 548	\$ -	\$ -	\$ -	\$ -	\$ 348,750

*Includes IBNR

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